



COMMUNITY ACTIVITY SET ASIDE (CASA) PROGRAM

PROGRAM CONCEPT

PROGRAM DESCRIPTION

The CASA program provides affordable mortgage financing to support community-based partnerships that target resources to increase the emerging market homeownership rate and address workforce housing issues. Under the program, first mortgage lenders sell closed loans to Minnesota Housing, providing income eligible first-time homebuyers with a below market interest rate on their first mortgage and loan funds to provide entry cost assistance (downpayment and closing costs).

Eligible targets under the program include:

1. Emerging Markets

- Households of Color or Hispanic Ethnicity
- Pilots endorsed by the Emerging Markets Homeownership Initiative (EMHI)

2. Single Headed Households

- A family with one adult householder, no spouse/partner in the household, and one or more dependents in the household

3. Workforce Housing Targets

- New construction or significant rehabilitation located in counties of high job or population growth or counties that demonstrate high current need for additional housing units (see Minnesota Housing target county list)
- Affordable homes sold by government agencies or non-profit organizations
- Building Better Neighborhoods Developments or developments supported by the Minnesota Housing Community Revitalization Fund
- Homeownership opportunities supported by a long term affordability mechanism (CLT, Deed Restriction, etc...)
- Employer-based initiatives containing leverage
- Neighborhood/Community Revitalization within a defined geographical target area

PARTNERSHIPS

CASA partnerships contain a Minnesota Housing contract lender and at least one community partner. Potential community partners include homebuyer educators and counselors, city or county HRAs, local non-profit housing organizations, real estate agents, employers, builders, organizations that serve emerging markets, and local chambers of commerce. Partnerships:

- Determine the focus of their activity and available resources
- Define partner roles and community connections
- Identify local sources of leverage to reduce the housing or transaction costs
- Develop and execute a focused or geographically targeted marketing plan
- Complete the CASA Application to access program funds.

CASA PROGRAM FEATURES

- Lower monthly payments
- Cash to close

BORROWER QUALIFICATIONS

See the Minnesota Housing website: www.mhfa.state.mn.us for income and house price limits.

APPLICATION PROCESS

The partnership completes the CASA application and submits it to Minnesota Housing by the last Friday of the month. Staff submits applications meeting program guidelines to the Board for approval on a monthly basis. Initiatives receive a 12-24 month contract term. The program requires reapplication upon initiative expiration.